



State of Utah  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

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801-538-5319 (TDD)

February 18, 1994

Mr. Lloyd Weir  
General Refractories Co.  
721 W. 3rd St.  
Pueblo, Colorado 81003

Re: Notice of Intent to Conduct Large Mining Operations, General Refractories Company, Roudabush #1 Mine, M/045/027, Tooele County, Utah

Dear Mr. Weir:

This letter is sent to follow up our telephone conversation of February 16, 1994. Enclosed is a copy of our February 21, 1991 review letter, previously sent to Mr. Glen Jones of General Refractories Company (GRC). Outstanding technical concerns are identified in the letter from our review of the Notice of Intention (NOI) to Commence Large Mining Operations that was submitted by GRC for the Roudabush #1 mine. These concerns must be addressed before the Division can issue its tentative approval of the large mine permit application. Also enclosed is a copy of the Minerals Reclamation Program General Rules and Regulations.

Annual reports submitted by GRC for years 1990 and 1991 indicate the total disturbance at 5.7 acres. Annual reports for the years 1992 and 1993 indicate the total disturbance at 5.17 acres. Please clarify which is the correct figure for the present disturbance. According to Rule R647-3-113 (Mine Enlargement), before a small mining operation expands beyond five acres of surface disturbance the operator must file a Large Mining NOI and receive Division approval. Therefore, no additional surface disturbance may occur at the Roudabush #1 Mine until the Large Mining NOI is approved.

Once tentative approval is granted, GRC must post a reclamation surety with the Division. A reclamation cost estimate for the Roudabush #1 Mine is in the February 21, 1991 review letter. This estimate will need adjustment due to changes in unit costs and a change in the escalation factor. If the operation plan has been modified since 1991, this cost estimate may also change. Acceptable forms of surety may include, but are not limited to the following:



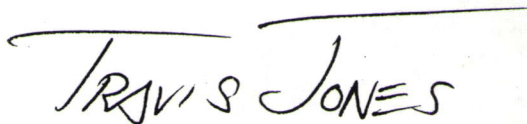
Page 2  
Lloyd Weir  
M/045/027  
February 18, 1994

- 1) Corporate surety bond;
- 2) Federally-insured certificate of deposit payable to the State of Utah, Division of Oil, Gas and Mining;
- 3) Cash;
- 4) An irrevocable letter of credit issued by a bank organized to do business in the United States; and
- 5) Escrow accounts.

GRC must also complete a Reclamation Contract (FORM MR-RC) with the required surety. Once you have determined a preferred form of surety, please let us know so we can send you the appropriate forms to fill out.

If you have any questions please contact me or Wayne Hedberg at (801) 538-5340. Thank you for your cooperation in completing this permitting action.

Sincerely,



Travis W. Jones  
Reclamation Hydrologist

jb  
Enclosures *2-21-91 letter*  
cc: Wayne Hedberg, DOGM  
Minerals File  
M045027.let